

LINDA LINGLE
GOVERNOR



**STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
869 PUNCHBOWL STREET
HONOLULU, HAWAII 96813-5097**

BRENNON T. MORIOKA
DIRECTOR

Deputy Directors
MICHAEL D. FORMBY
FRANCIS PAUL KEENO
BRIAN H. SEKIGUCHI

IN REPLY REFER TO:

Board of Land and
Natural Resources
State of Hawaii
Honolulu, Hawaii

Amendment No. 12 to Lease No. DOT-A-92-0018 (Lease)
Restaurant and Lounge Concession Lease
Host International Inc., Honolulu International Airport

OAHU

PURPOSE:

To amend the existing Lease at the Honolulu International Airport for allowance of additional floor space to facilitate the food and beverage operations. Under Article III of the Lease, the specific area assigned or provided for the concession activity may be changed at the discretion of the Director of Transportation.

APPLICANT:

Host International, Inc. whose business address is 6905 Rockledge Drive, Bethesda, Maryland 20817.

LEGAL REFERENCE:

Chapter 102, and Section 261-7, Hawaii Revised Statutes, as amended.

LOCATION AND TAX MAP KEY:

Honolulu International Airport; 1st Division -1-1-03: Portion of 1 (Honolulu)

ZONING:

State Land Use District:
County of Honolulu

Urban
Industrial (I-2)

ITEM M-1

LAND TITLE STATUS:

Section 5 (a) lands of the Hawaii Admissions Act: Non-Ceded
DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: Yes ___ No X

PREMISES:

Additional 97 square feet added to Building 344, Space No. 238B, containing an area of approximately 429 square feet as shown on Exhibit B-31 dated June 2008.

TERM:

To run for the balance of the term of the existing lease that expires on April 30, 2014.

IMPROVEMENTS:

Applicant will construct and install all improvements to Building 344, Space No.238B, at it sole cost.

RENTAL:

No additional square footage floor rent will be charged. All gross receipts generated from the additional space will be included with the gross receipts of the concession. The concessionaire pays the greater of the minimum annual guaranteed rent or a percentage of gross receipts as the concession fee. The percentage rent rates for the concession are eight percent (8%) of gross receipts from food and thirteen percent (13%) of gross receipts from alcohol.

CHAPTER 343, HRS -- ENVIRONMENTAL ASSESSMENT:

Pursuant to Section 11-200-8 (a), Environmental Impact Statement Rules of the Department of Health, State of Hawaii, this disposition is exempt from requirements regarding preparation of an environmental assessment, negative declaration, or environmental impact statement as required by Chapter 343, Hawaii Revised Statutes, as amended, relating to Environmental Impact Statements because the proposed action falls within Exemption Class #3, Comprehensive Exemption List for the State of Hawaii, Department of Transportation dated November 14, 2000, as approved by the Environmental Quality Council. Exemption Class #3 covers construction and location of single, new, small, facilities or structures and the alteration and modification of same and installation of new, small, equipment and facilities and the alteration and modification of same including, but not limited to (e) 2. accessory or appurtenant structures involving the

construction/modification/alternation of carports, personnel (bus type) shelters, and specialty storage facilities such as paint sheds and structures not exceeding 1,000 square feet on the Department of Transportation property.

REMARKS:

The DOT and the Concessionaire entered into that certain concession lease (Lease No. DOT-A-92-0018) dated March 2, 1993 for the Restaurant and Lounge Concession at the Honolulu International Airport (Airport).

Act 128, Session Laws of Hawaii 2006, allowed the State to amend concession leases to extend the term of the lease in return for construction of improvements by the Lessee. Any extension of the term of the lease is limited to no more than 40% of the original term. The Act prohibited any reduction in rent, but did allow inclusion of language that had been placed in other concession agreements, notably the economic emergency and force majeure language that changed in the aftermath of the events of September 11, 2001.

RECOMMENDATION:

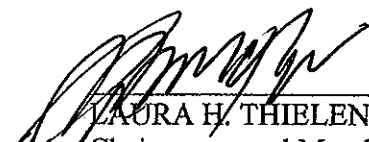
That the Board authorizes 1) the Department of Transportation to amend Article III. Premises of the subject Lease as herein outlined, which are by reference incorporated herein; 2) such other terms and conditions as may be prescribed by the Director of Transportation to best serve the interests of the State; and 3) review and approval by the Department of the Attorney General.

Respectfully submitted,

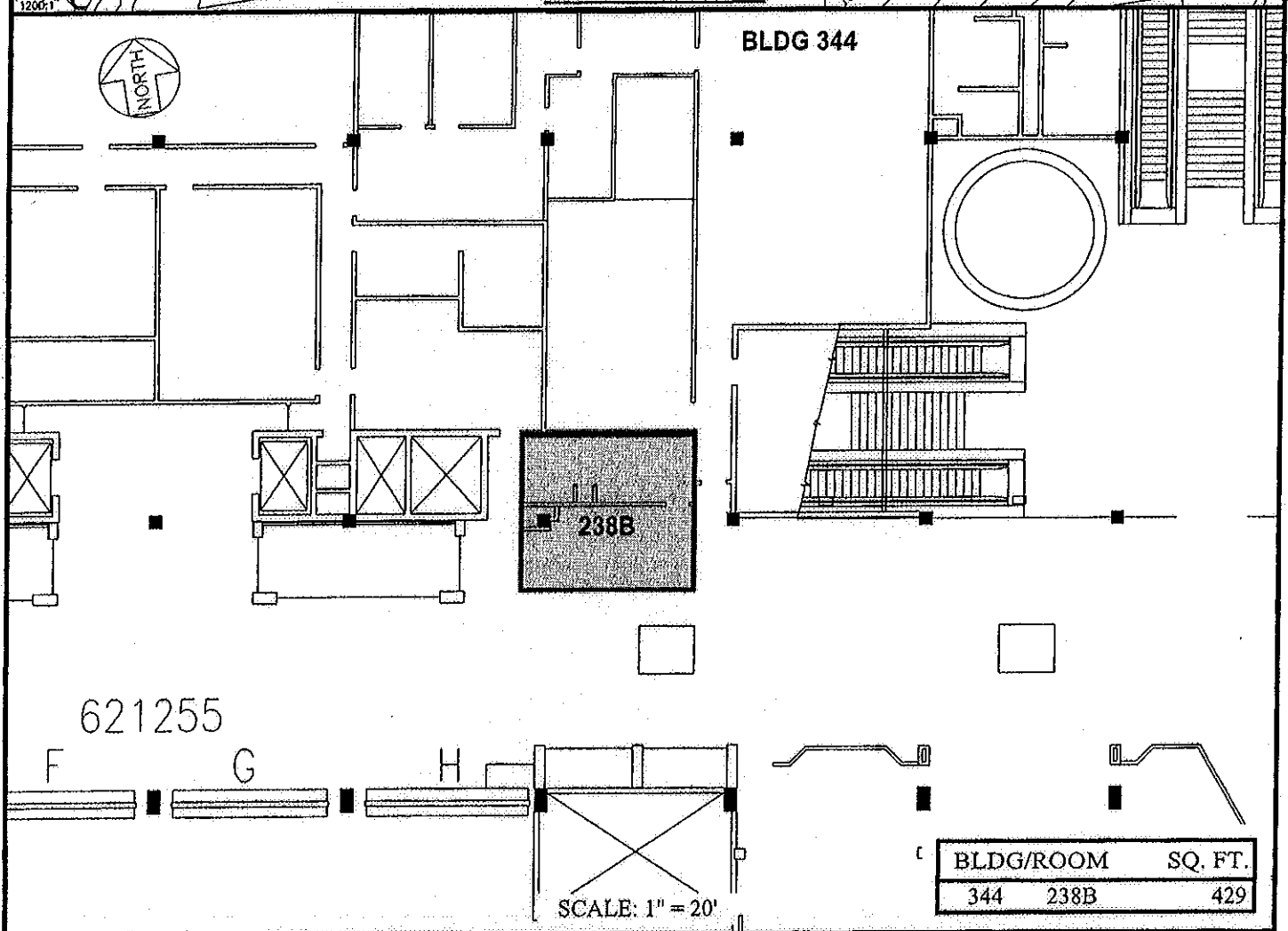
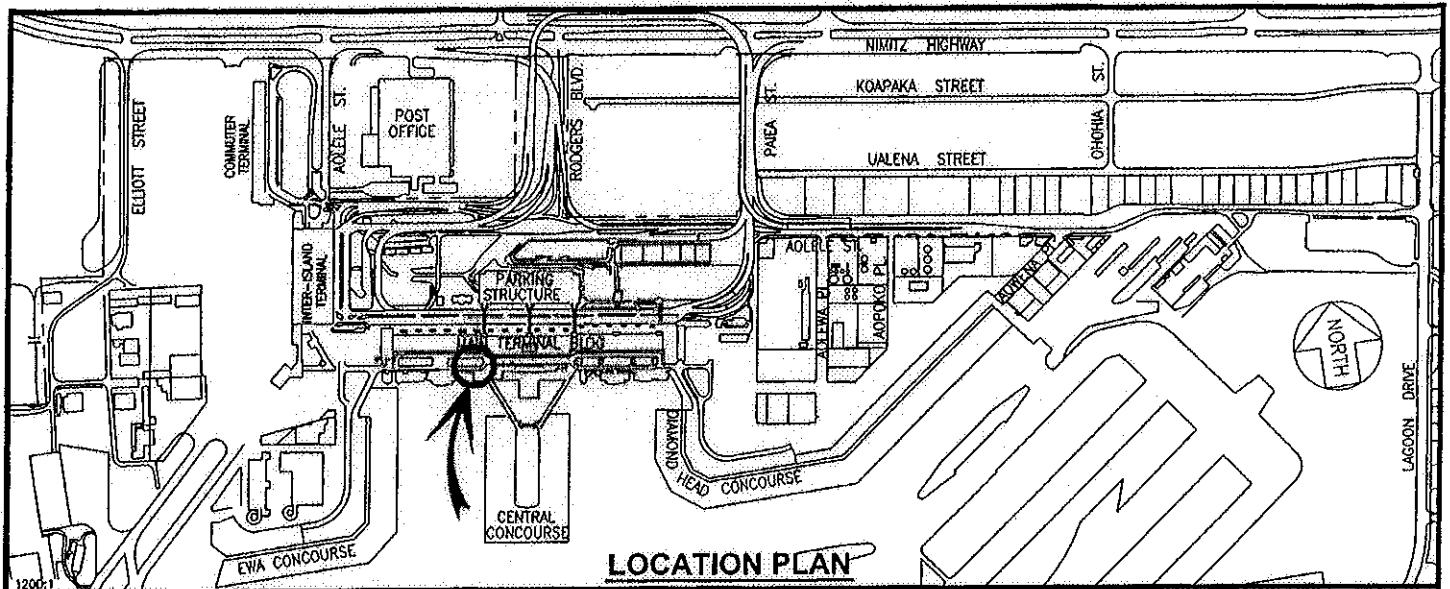


BRENNON T. MORIOKA, Ph.D., P.E.
Director of Transportation

APPROVED FOR SUBMITTAL:



LAURA H. THIELEN
Chairperson and Member



LEASE NO. DOT-A-92-0018

DATE : JUNE. 2008

EXHIBIT: **B-31**



Airports Division

HOST INTERNATIONAL, INC.

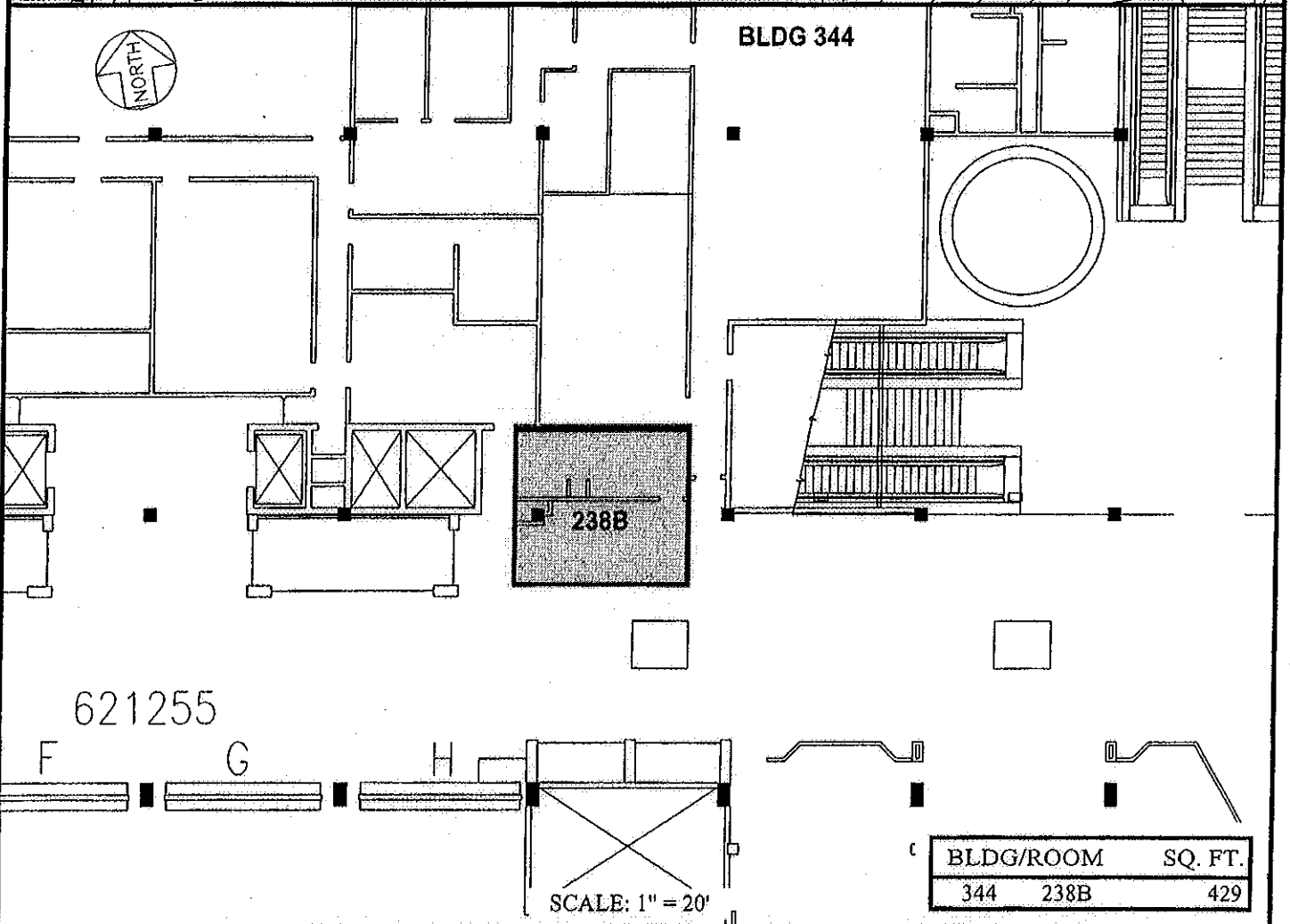
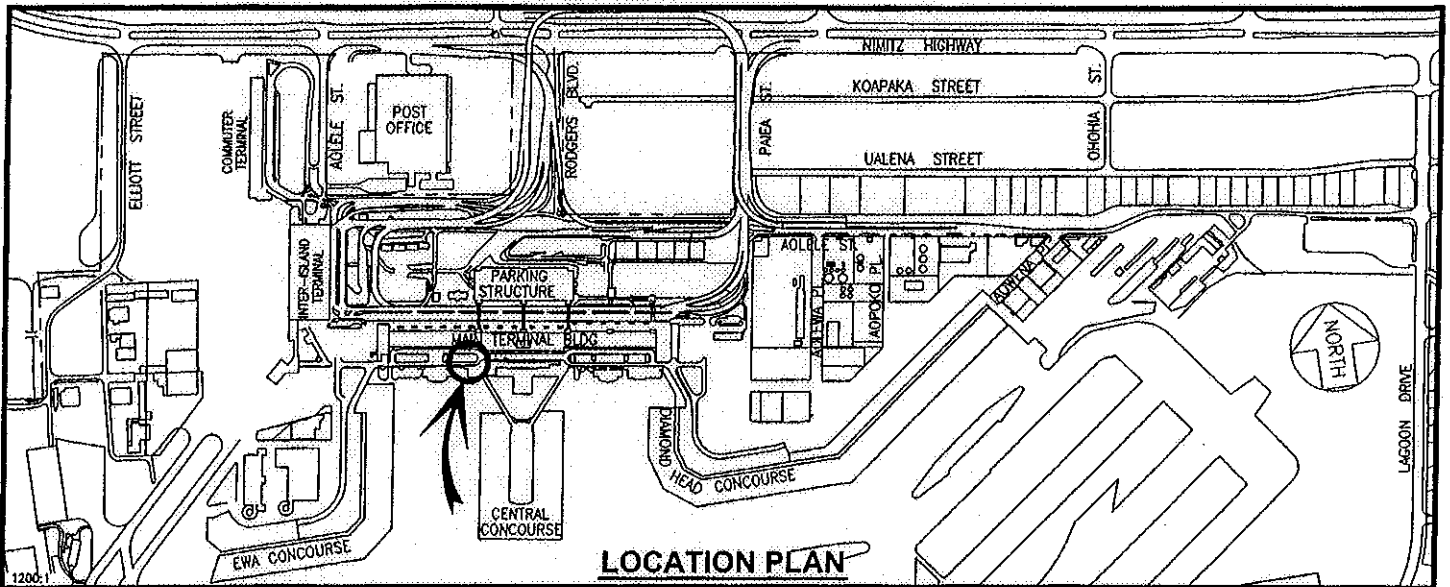
**BUILDING 344
EWA DOMESTIC EXTENSION
SECONDLEVEL**

344238B

PLAT A2

HONOLULU INTERNATIONAL AIRPORT

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Airports Division

HOST INTERNATIONAL, INC.

BUILDING 344
EWA DOMESTIC EXTENSION
SECOND LEVEL

344238B

PLAT A2

HONOLULU INTERNATIONAL AIRPORT

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